

Coaching high achievers

Executive On-boarding

This paper addresses the following issues:

- *What is On-boarding?*
- *Why is it relevant today?*
- *Why is the rate of executive failure increasing?*
- *What can organisations do to increase success rates?*
- *What can the executive do to On-board successfully?*
- *What can coaches do?*

What is On-boarding?

On-boarding is the process of successfully and quickly integrating the executive into a new role. It applies to executives coming to a role from outside the organisation, as well as executives moving to a new role from within the organisation.

Many issues are common to both situations. But there are also some significant differences, of which the most significant is culture. The outsider is coming into a new culture, whereas the insider is moving to a new role within the culture that he or she already understands.

Why is On-boarding relevant today?

I am now going to quote statistics at you. They are mostly American statistics, because the US is more advanced in the study of on-boarding than the UK.

A recent study by Manchester Partners Human Capital Management, an American nationwide coaching and outplacement business, says that 40% of newly appointed executives fail within 12/18 months.

In another study by Manchester Partners, 826 Heads of HR were interviewed on why new executives had failed in their organisations. The results were as follows:

- *82% said that executives failed to develop appropriate ways to work with subordinates and peers.*
- *58% said there was a lack of clarity about the boss's expectations.*
- *50% reported that executives lacked political "nous" (didn't read the culture).*
- *47% reported that executives failed to achieve 2 or 3 of the most important objectives of the role.*
- *25% said it took executives too long to learn the job.*
- *25% said executives lacked work/life balance.*

A few other facts support the belief that the rate of failure is high:

- *A UK study recently concluded that the average "life expectancy" of a Chief Executive is now 3 years and 3 months.*
- *4 significant multi-nationals, Mattel, Coca Cola, Philip Morris, and Toys R Us, filled CEO positions twice in less than 3 years.*

There are many other examples of CEOs coming and going in short order.

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The costs for an organisation of such a failure rate are very significant. The direct costs – that is to say the cost associated with terminating the executive and then finding a replacement – typically amount to between one and two times the salary for the job.

But those costs are the tip of the iceberg compared with the indirect costs associated with an unsuccessful, ineffective executive. These costs are incapable of accurate definition but in my view can generally be counted in millions of pounds.

Why is the rate of executive failure increasing

There are, of course, many factors. But for me the most important are:

- *Complexity of executive roles and the demands on people in those roles, which have increased dramatically in the last 5 years or so.*
- *Because there are fewer levels in organisations, the leap from one rung to the next is greater and hence people are significantly less well prepared to take on new responsibilities.*
- *The new executive's boss does not have the time to support the executive at a time that is enormously demanding and potentially stressful.*
- *What I call "the halo to the noose" syndrome. This applies to executives being hired into a new organisation. The organisation goes to great lengths to find the best man or woman for the job, puts together a significant package to attract the best individual and understandably has huge expectations of that individual. It's a bit like finding a new love. Everything is wonderful about them. So, the executive comes in with a halo. However, living up to the expectations is difficult as they are often unrealistic, and in time, the halo has slipped and become a noose!*

What can an organisation do to increase success rates?

I suggest the following as being the most important:

- *The new executive's boss agrees right up front with the executive what will be expected of him/her within the first 3 months and within the first 12 months. There must be an agreement that progress towards the 12 month expectations will be reviewed at the end of 3 months and revised as necessary.*
- *In each of the first three months, the boss sets aside time with the new executive to check out "how it's going". This is quite separate from the normal monthly review against the business objectives.*
- *The Head of HR also finds time once a month to ask the "how's it going" question.*
- *The organisation demands that the executive takes a week's holiday at the end of the first three months. This will have been one of the most demanding three months of the executive's life. He/she will deserve a break. And need one.*

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What can the executive do to on-board successfully?

Concentrate on the following:

- *Get to understand the culture – “how we do things around here”. This is primarily about never being afraid to ask questions or to ask for help, as well as having good antennae.*
- *Identify the key people in the organisation who can help or harm you in your new role. Get to know and understand these people and learn how to work effectively with each of them.*
- *Agree with the boss what is expected of you and what your priorities should be during the first 3 months. Also agree the expectations over the first 12 months with an understanding that you will re-visit those after 3 months.*
- *Get to know and understand your subordinates on a one to one basis and adopt the leadership style appropriate to your new team.*
- *Maintain a work/life balance that is sustainable over the first 3 months.*
- *Get a coach.*

What can a coach do?

In essence, the role of the coach is to help and support the executive in achieving what is listed above, together with being able to support the executive in maintaining the right balance between pressure and stress.

This really is one of those times in an executive's life when it is very easy to slide over the line from pressure to stress. A key part of the coach's job is therefore to be looking for the signs that this might be happening and help the executive to prevent it.

But what, more specifically, can a coach do to support an “on-boarder”?

Rather than generalise, let me take a real situation!

Susan has been headhunted at Director level by an industry leader to head up one of its key functional areas. The bald facts are that:

- *Susan comes from a similar role in a competing company, and hence has a depth of experience in and understanding of the function.*
- *Her new company is significantly larger and more complex organisationally than her previous company.*
- *This is, therefore, a major career move and a big step up for her.*
- *The function she will lead is already 6 months into a 2 year Change Programme, described as not only the biggest change ever for this function, but also the biggest change programme in the last 5 years for the company as a whole.*
- *Susan's new boss, the CEO, has only been in post for 6 months, and inevitably is still on his own learning curve.*
- *And, by the way, Susan has to move house and family.*

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In my view, points 2 and 3 mean that Susan will be pressured and stretched, particularly in the first 12 months. Points 4, 5, and 6 go further. Here, there is even more potential for pressure and a real risk of damaging stress.

Susan was offered coaching. She accepted, and in fact chose a coach who had already carried out coaching assignments in the company. This was not critical, but it was helpful that her coach had a good understanding of the company and its culture.

Within a week of joining, Susan sat down with her coach and asked him to help her to:

- *Outline her objectives for the first 12 months.*
- *Set out her objectives for her first 3 months. Susan recognised that the first 3 months is a critical period, and also a time of opportunity, never to be repeated.*

This paper concentrates on that first 3 months period, but we should be aware that the pressure to on-board does not end there.

Objectives for the first 3 months

It was agreed that Susan's biggest risk was that she would get sucked into a Change Programme, never to emerge. Her first objective therefore was to get to understand the Programme while allowing the current Programme Manager to continue to fulfil his role.

Mindful of the failure statistics quoted earlier, she set herself positive objectives as follows:

- *To get to understand how the boss, the Chief Executive, operates and the level of communication that he requires.*
- *To get to know and understand individually her subordinates and peers: not just what they do and how they do it, but what motivates them.*
- *To identify and get to know and understand the key senior people in the company who could influence her role, and in particular the Change Programme.*
- *To use the Change Programme as a mechanism for contacting all of the above people. She was determined to have a "real reason" to talk with people, rather than just to have "get to know you" meetings.*
- *To concentrate her mind on understanding the culture of the company. To learn "how we do things around here". She was determined to ask all of the questions that occurred to her.*
- *She agreed to present to her boss her overview of the Change Programme when she had completed her first 3 months.*
- *To work on what style of leadership and behaviour would be successful for her in this company.*

She agreed with her coach that the objectives listed above would be the initial focus of their fortnightly meetings.

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So far, so good

2 months down the road, Susan believes that her coach has helped her to:

- *Focus her time and effort – and to stay focussed.*
- *Take on board and filter all the information being thrown at her.*
- *Maintain her perspective and equilibrium during a time when there was a risk that she would be “pulled every which way”.*
- *Develop and test out the behaviours and leadership style that will work in her organisation.*
- *Get agreement with the CEO about his expectations of her during her first 12 months.*

Conclusion

The first 3 months of on-boarding is tough. It is easy to spend time unproductively, and yet time is precious.

Being focussed and having real clarity about objectives is critical to success.

Executive coaching can be invaluable both during this 3 month period, and indeed during the whole of the first 12 months of a new role.

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